

MINUTES

LEXINGTON COUNTY COUNCIL FY 2003-04 Budget Worksession

May 8, 2003

Lexington County Council held a budget worksession on Thursday, May 8, 2003, in the Conference Room on the Sixth Floor, Lexington County Administration Building, beginning at 4:00 p.m. Chairman Davis presided.

Members attending:	George H. Smokey Davis	Bruce E. Rucker
	William C. Billy Derrick	Jacob R. Wilkerson
	Bobby C. Keisler	Johnny W. Jeffcoat
	John W. Carrigg, Jr.	Joseph W. Joe Owens
	M. Todd Cullum	

Also attending: Art Brooks, County Administrator; Larry Porth, Finance Director/Asst. County Administrator; Katherine Doucett, Personnel Director/Asst. County Administrator; John Fechtel, Public Works Director/Asst. County Administrator; Joe Mergo, Director of Solid Waste Management; Evelyn Babbitt, Grants Manager/Department of Finance; Jeff Anderson, County Attorney; and representatives of the media.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, and posted on the bulletin board located in the lobby of the County Administration Building.

Mr. Davis indicated that Council would be discussing the Accommodations Tax recommendations and the agency budgets which come under Council's jurisdiction. Mr. Davis recognized Mr. Porth.

Mr. Porth stated that he believed the agency budgets were discussed at the May 6 meeting. He stated the one thing to remember was Lexington Mental Health requested an increase of \$200,000 (from \$500,000 to \$700,000) because of cut backs from the state. Mr. Porth added that the \$200,000 increase was not included in the recommended budget.

Mr. Porth presented a summary of the budget to Council members. The blue pages are the General Fund combined recommended budget, white sheets are the existing programs, pink sheets are the new programs, yellow sheets are all the other funds that are not in the General Fund - Library, Solid Waste, etc. He asked if there was anything to be discussed on any of those funds.

Mr. Davis stated that the Library deficit was being taken from fund balance, Solid Waste is operating in a deficit based on a five-year plan of need.

Solid Waste - Mr. Derrick discussed the need for a millage increase in Solid Waste and offered a motion which was seconded by Mr. Owens that the Solid Waste millage be increased by one mill.

Mr. Davis opened the meeting for discussion.

Mr. Porth commented that in the notice to be published about the public meeting, it may be better not to stipulate the number of mills; indicate that the meeting is being held to discuss a possible millage adjustment for Solid Waste.

There was discussion as to the budget for Solid Waste for FY 03-04; Mr. Porth noted that the FY 03-04 budget was not a balanced budget, but a budget based on deferring capital as has been done for the past several years so the problem has accumulated. He stated a budget was developed which balanced operating expenses with revenues by deferring capital and deferring the closeout costs.

Mr. Cullum stated that basically what Council was looking at was a \$500,000 shortfall by deleting the capital requests.

Mr. Wilkerson stated that he was sure all the items were needed as requested in the Solid Waste budget and he knew there was no easy answer to the problem that exists. He stated that when things are needed, you try to find a way to do them. Mr. Wilkerson stated there was a time to do things and there was a time to try to hold the line and in his opinion this was one of those years he felt Council needed to hold the line. He stated that it was his opinion that one mill was a band-aid approach; he added that he would rather wait until Council could do what really needed to be done rather just "band-aid" the problem. Mr. Wilkerson stated the one mill would be a start, but he did not feel it would address the whole problem in Solid Waste.

In Favor:	Mr. Davis	Mr. Derrick
	Mr. Owens	Mr. Keisler
	Mr. Cullum	
Opposed:	Mr. Rucker	Mr. Wilkerson
	Mr. Carrigg	Mr. Jeffcoat

Treasurer - Mr. Davis stated that Mr. Bill Rowell, Treasurer, pleaded with him to make a presentation concerning two individuals he has had on the payroll as part-time employees and paid by the generation of a fee. Mr. Rowell asked to present the case to make the employees full time.

Mr. Rowell stated that funds for the two employees were not coming out of the General Fund, it

was a special revenue account. He stated that he could increase the fee and had, in fact, increased the fee.

Mr. Rowell stated that one employee concentrates on manufacturing/personal property the other employee deals with the forfeited land commission and mobile homes.

A motion was made by Mr. Carrigg and seconded by Mr. Owens that the Treasurer be allowed to amend his requested budget to include the classification of the two employees from part-time to full time subject to cost information and the revenue stream to support the change.

Mr. Davis opened the meeting for discussion.

Some discussion ensued between Mr. Davis and Mr. Rowell about the information being requested.

Mr. Davis asked Mr. Rowell if he understood correctly that the two employees could move from part time to full time by using fees collected, not the taxes brought in.

Mr. Rowell replied, that's correct.

In Favor:	Mr. Davis	Mr. Carrigg
	Mr. Owens	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Keisler	Mr. Jeffcoat
	Mr. Cullum	

Mr. Rowell also asked that Council consider a third position moving from part time to full time in the General Fund - one third of her salary was to come out of the General Fund, two thirds out of the Delinquent Tax fund. He stated that the employee has been paid as a part time employee from the General Fund for the past three years.

Health Insurance - Mr. Porth stated that the average salary paid at Lexington County is \$33,492.00; if that person receives a three percent raise based on a good merit evaluation that would amount to a little over \$1,000 a year; if that person also has the most expensive health insurance coverage which is the family coverage it is proposed in the FY 03-04 budget that the premium go from \$145.00 to \$159.00 per pay period, which is a \$14.00 increase, twice a month is \$28.00, for 12 months it would amount to \$336.00. Mr. Porth stated that the information was an attempt to answer one of the questions about the pay increase versus the health insurance. He stated that the health insurance increase last year was significantly higher than proposed for FY 03-04 and the pay increase (FY 02-03) was two-thirds of the 03-04 package.

Accommodations Tax - EdVenture - Mr. Rucker stated that EdVenture requested \$25,000, the

Advisory Board recommended \$10,500. A motion was made by Mr Rucker and seconded by Mr. Wilkerson that the \$10,500 recommended to be given to EdVenture be appropriated to the Lexington County Museum instead.

Mr. Davis opened the meeting for discussion.

Mr. Keisler stated that he thought Lexington County needed to keep our money and help the people in the county.

In Favor:	Mr. Davis	Mr. Rucker
	Mr. Wilkerson	Mr. Derrick
	Mr. Keisler	Mr. Carrigg
	Mr. Owens	Mr. Cullum
Abstaining:	Mr. Jeffcoat	

Chambers of Commerce - Mr. Derrick discussed the need to support the chambers of commerce.

Mr. Carrigg agreed with Mr. Derrick and stated that he would like to appropriate an amount close to what was requested.

After discussion, a motion was made by Mr. Derrick and seconded by Mr. Rucker that the Lexington County Recreation and Aging (tennis tournament) amount be changed from \$25,000 to \$10,000; add \$2,000 to each of the five (West Metro, Lexington, Batesburg/Leesville, Chapin, Irmo) chambers.

Mr. Davis opened the meeting for discussion.

Mr. Cullum requested that funds be included for the Town of Pine Ridge.

Mr. Davis stated that there was a state law regarding how the Accommodations Tax funds could be spent and the law would have to be checked to ensure the request from the Town of Pine Ridge would qualify.

An amendment was offered by Mr. Wilkerson and seconded by Mr. Rucker that rather than taking the entire \$10,000 from the Recreation Commission Tennis Tournament, that \$2,500 be taken from the Carolina Marathon Association thereby making the amount taken from the

Recreation Commission \$7,500.

Mr. Davis opened the meeting for discussion on the amendment.

Mr Jeffcoat stated that he thought the Recreation and Aging Commission had their own millage.

Mr. Davis stated that they do.

Mr. Jeffcoat asked for assistance in understanding why the Commission needed Accommodations Taxes.

Mr. Rucker stated that the Accommodations Taxes could be used for advertisement.

Mr. Davis interjected that the Commission is having the largest tennis tournament in the world.

Mr. Wilkerson stated that the tournament would bring “tons” of money into the county.

Mr. Cullum stated that he was still looking for the \$500.00 that was left on the table from the EdVenture Childrens Museum.

Mr. Rucker suggested that Council determine what the funds would be used for by the Town of Pine Ridge.

Vote on the Amendment:

In Favor:	Mr. Davis	Mr. Derrick
	Mr. Rucker	Mr. Wilkerson
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Owens
	Mr. Cullum	

Vote on the Motion as Amended:

In Favor:	Mr. Davis	Mr. Derrick
	Mr. Rucker	Mr. Wilkerson
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Owens
	Mr. Cullum	

Mr. Cullum asked to go over the numbers to ensure the right figures - the Marathon \$5,000, the five Chambers an additional \$2,000.

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Mr. Davis stated that \$7,500 was taken from the Lexington County Recreation and Aging

Commission Tennis Tournament.

Columbia Convention and Visitors Bureau - Mr. Davis stated the Columbia Metropolitan Convention and Visitors Bureau has been one of the leading receivers of Accommodations Tax funds in the past to the tune of \$100,000 in 1992 to \$90,000 in FY 03-04. He stated that since that group merged with the convention center he thought Lexington County was properly funding that group through the Tourism Development Fee. Mr. Davis stated that Lexington County has sent \$2.9 million since the beginning; \$65,000 in FY 99-00; \$2.3 million in FY 01-02; thus far in FY 02-03, \$578,000; for a total of \$2,963,000.

Mr. Carrigg asked if the \$2.3 million involved a lot of accumulated money.

Mr. Porth responded, that's right.

Mr. Davis stated that Mr. Porth was right and he (Mr. Davis) was still "sore" about the fact that the county sent the accumulated amount rather than the amount when the bond deal was struck.

Mr. Owens asked why the funds were sent.

Mr. Davis responded that Council felt the obligation because Council said they were going to do it. He did not feel the obligation to send them 90,000 additional dollars per year.

Mr. Owens agreed that they were getting enough.

Mr. Rucker asked Mr. Davis if he had a recommendation.

Mr. Davis responded, that he would ask that the \$90,000 be reduced for FY 03-04 and next fiscal year (FY 04-05) consider a further cut.

Mr. Derrick stated that one-third of the funds had to be given to one group and his motion was to make the Capital City Lake Murray Country the county's designated agency to receive one-third of the funds and include the Convention and Visitors Bureau at half of \$85,000; seconded by Mr. Rucker.

Mr. Davis opened the meeting for discussion.

Mr. Derrick stated that by law one-third of the funds had to be appropriated to one agency.

Mr. Owens asked, one third of what?

Mr. Derrick responded, all the accommodations taxes.

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Mr. Carrigg interjected it was not one-third, it was 30 percent.

Mr. Derrick stated he was proposing flip-flopping the Capital City Lake Murray Country, let them handle the 30 percent.

Mr. Carrigg stated, they (Capital City Lake Murray Country) would go from \$85,000 to \$90,750.

Mr. Cullum asked who is the designated agency?

Mr. Carrigg responded the Columbia Metropolitan Convention and Visitors Bureau.

Mr. Wilkerson suggested that Council go ahead and vote and decide later if the amount was to be reduced further; or, did Council want to consider all the recommendations at one time?

Mr. Carrigg commented that the CVB is a separate entity from the Convention Center Authority. He stated that the CVB is under the authority of the Convention Center Authority. The CVB did to have its own independent board of directors made up of two people from the restaurant industry, four people from the hotel industry and one person from every county that contributed. The bylaws were changed and the management came under the Convention Center Authority which Council makes appointments to (Bert Pooser, Bill Dukes, Butch Spires, and one other person). Mr. Carrigg stated that the group basically operates with the same employees it did before with the same mission that it had before which is to cover marketing for the convention center, but primarily market for hotels in the area; they try to book conventions, advertising, marketing.

Mr. Owens asked what hotel in Lexington County was capable of serving a large convention.

Several members responded, the Sheraton.

Mr. Carrigg stated that the Sheraton is actually the largest convention center facility in this area and it is located in Lexington County and probably benefits the most from what the CVB does.

The motion was clarified that Capital City Lake Murray Country be designated as the 30 percent recipient, that the Columbia Metropolitan Convention and Visitors Bureau receive \$42,500 and the remaining \$42,500 be placed in contingency.

In Favor:	Mr. Davis	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Keisler	Mr. Jeffcoat
	Mr. Owens	Mr. Cullum
Opposed:	Mr. Carrigg	

Solicitor's Budget - Ms. Babbitt indicated there was a problem with the Solicitor's budget with shortfalls in the Juvenile Drug Court, Adult Drug Court and the Victim Witness Program budgets.

Mr. Cullum asked if any of the programs were state mandated.

Mr. Carrigg noted that if county funds are allocated to, in particular, the Victim Witness Program, then the county would have to continue allocating funds.

In response to a question by Mr. Derrick, Ms. Babbitt stated that the only program that would qualify for the Alcoholic Beverage License monies would be the Juvenile Drug Court.

Mr. Jeffcoat stated that he thought he remembered the Solicitor saying that he would take care of the Victim Witness Program.

Ms. Babbitt stated that the grant for Juvenile Drug Court ended, there was a certain amount of General Fund monies to match the grant. She indicated that the Solicitor's Narcotics Forfeiture Fund can be used for drug prosecution.

Mr. Rucker commented that the budget was short some \$45,000. He asked if any of the positions had been funded before or had the Solicitor used state funds? He stated that if there was anything the state had funded and now was pushing the county to fund, he was not going to vote for it.

Mr. Derrick stated that this was exactly what has happened, the money was supposed to be provided through fees and fines and the Chief Justice won't release the money.

Mr. Cullum asked if the Juvenile Drug Court program was state mandated.

Ms. Babbitt replied, no.

Mr. Wilkerson stated it has been said that minibottle funds can not be used for the Juvenile Drug Court program; he asked where the LRADAC money came from.

Mr. Porth responded, minibottle; the funds come in, they go out.

Mr. Jeffcoat asked what would happen when minibottles are done away with.

Mr. Porth responded that the legislation, as proposed, if minibottles are done away with, provides for a sales tax to be added.

Mr. Derrick stated that he was still confused about the LRADAC funding. He stated that the county sends LRADAC some \$400,000 a year and asked why can't Council require them to provide the services, why does the county have to beg them and actually bid out the services and come in with another agency that submitted a bid at half the cost.

Mr. Jeffcoat commented, a third of the price.

Mr. Derrick stated LRADAC is being sent the funds and his point is, Council needed to designate another agency that will provide support for the programs.

Mr. Carrigg stated that whoever provides the services has to be a qualified agency.

Mr. Jeffcoat asked if Council could legally designate another agency.

Mr. Porth responded yes; another agency would have to be found that would provide all the alcohol and drug programs. He added that according to Mr. Claypoole, Executive Director of LRADAC, the agency has a \$7 million budget.

Mr. Derrick added that the county is also sending LRADAC \$45,000 for drug tests.

Mr. Jeffcoat stated so the county is sending LRADAC \$400,000, and, in addition, also having to pay for the tests.

Mr. Carrigg stated that a decision needed to be made as to whether Juvenile Drug Court would be a fee related service. Up until now, Judge Westbrook has been making those calls. Up until now, there has been no charge for Juvenile Drug Court, Adult Drug Court, he thought the charge was around \$1,000, if clients can pay. He stated that the programs were diversionary programs that one could go into to get out of trouble. Mr. Carrigg stated that one such program was PTI and everyone had to pay to participate, adult, juvenile, whatever.

Mr. Carrigg stated that in Adult Drug Court a fee of \$150 per month has been established and at that amount with 60 people in the program, it pays for itself. He stated that he thought Council could make Juvenile Drug Court, from a treatment standpoint, pay for itself. There is a benefit not having people in the jail.

Mr. Owens commented that this was a quintessential case for user fees.

Mr. Cullum asked who would administer the program.

Mr. Carrigg replied there were two administrators now and probably only one was needed.

Mr. Rucker commented that the county does not appropriate any funds for the programs.

Mr. Porth stated that if Council did not appropriate any funds for FY 03-04, he thought there was a legal obligation to tell the employees they don't have a job.

Mr. Rucker stated that the state has not sent the county the money; it was not the county having to appropriate, it was the state and if the state hasn't done it, then someone somewhere decided, the Chief Justice decided the money goes for something else.

Mr. Davis stated that one of the decisions is whether to make the Adult and Juvenile Drug Courts user fee programs and whether the \$45,000 and \$28,500 should be a budget item for FY 02-03 and subtract those amounts from the FY 03-04 Solicitor's budget.

Mr. Jeffcoat asked if the funds could be subtracted.

Mr. Davis responded that he did not know. He asked if there was some way to pull the funds from the current year's budget.

Ms. Babbitt responded, yes.

Mr. Davis stated that Council would have to unappropriate something that has already been recommended.

After further discussion, a motion was made by Mr. Derrick and seconded by Mr. Carrigg that the \$73,500 for the Juvenile Drug Court and Adult Drug Court be taken from the FY 03-04 Solicitor's budget appropriation (General Fund), that nothing be funded for the Victim Witness Program and the Juvenile and Adult Drug Court programs be continued if they can be supported by user fees.

Mr. Porth stated that the reason there was a problem in both drug courts this year is when funds are appropriated, they are done so based on estimated revenues. If estimated revenues do not come in, there is still an appropriation out there. He stated that if Council is going forward with the Juvenile Drug Court and there is no fee stream in place that Council is setting themselves up to have a problem. Mr. Porth stated that in Adult Drug Court, a \$150.00 fee has been implemented.

Mr. Jeffcoat commented that it was going to cost the county a whole lot more than \$73,500 if there is no program in place to fund the court - whether it was through fees or where it comes, \$73,500 was going to look minute compared to everything else. He stated this was not something Council could gloss over and he understood the situation with the Solicitor's office

and whatever the deal is there with his state money, but Council needed to think about this before it is cut out of next year and say okay, fund it yourself or we're going to fill up the jail more than what it is now, or we will be building another jail, this is a very worthwhile program and Council members who are not familiar with it need to get familiar with it. Mr. Jeffcoat commented that he wished Council would give this a lot of thought before cutting it out. Mr. Owens stated that Council was not cutting it out.

Mr. Jeffcoat responded, yes we are, we're killing it; we're killing it next year because there is no money there. We're going in with \$73,500 short next year.

Mr. Cullum stated that what he thought was going to happen was the implementation of a fee structure to support the program.

Mr. Jeffcoat commented, okay. He stated that he wished Judge Westbrook was present so he could provide insight before Council votes. He asked if Judge Westbrook could be requested to meet with Council before voting on it.

Mr. Derrick stated that his proposal was to replace funding with user fees and that was all his proposal was.

Mr. Jeffcoat stated that he understood, but \$73,500 was being cut on the front end of any fees received. He asked if Council was saying take the \$73,500 out of FY 03-04 money.

Mr. Davis stated that he did not think the funds would be taken out of the two specific line items; funds would be taken out of the General Fund Solicitor's budget.

Mr. Cullum stated that by doing this the pressure would be placed on the Solicitor for him to decide how important the program is; the Solicitor may indicate that he can find half the \$73,500.

Mr. Jeffcoat stated the Solicitor's state funds have been cut some 35 or so percent already. The Solicitor is like the rest of us, scrambling to find the dollars to make it happen.

Mr. Davis stated if \$73,500 is to be moved forward you have to say here is the forward budget where do you think it's coming from - do we make that decision or does the Solicitor make it.

Mr. Jeffcoat asked if Council could have some input from Judge Westbrook who has been working on the programs for months and months; perhaps the Judge has some information Council does not have. Mr. Jeffcoat encouraged Council to hear from Judge Westbrook before doing anything.

Mr. Davis stated that Judge Westbrook would be asked to meet with Council on May 13.

Mr. Owens stated that the \$73,500 needed to be funded now. He stated that he would never vote to fund the Victim Witness program. Mr. Owens stated the county implemented the drug court, it was a model for the entire state and then the Solicitor's office could be dealt with as further work is done during the budget process.

A motion was made by Mr. Owens and seconded by Mr. Jeffcoat that \$73,500 be taken from fund balance for FY 02-03.

Mr. Porth noted that the \$73,500 figure was an estimate.

Mr. Davis opened the meeting for discussion.

Comments were made, but because of the poor quality of the recording, comments could not be transcribed.

Part of Mr. Rucker's comments were that the burden is on the state, the state did not fund the program, that's where the burden is and now Council is thinking of making it Council's burden, he had a real problem.

Mr. Owens retorted, just for this year, after that Council would have to look at it; this is a shortfall Council has sort of committed to.

Mr. Rucker asked how much had been cut by the state.

Ms. Babbitt responded, usually the county received \$150,000.

Mr. Rucker stated, the state cut it out, it's gone, it's not Council's fault.

Mr. Cullum stated that he agreed with Mr. Rucker, the state had no conscience about it at all so it was now left here for nine men to put on their conscience.

Mr. Jeffcoat commented, these nine men are also going to pay for the folks in the jail.

Mr. Carrigg stated that there are 60 people constantly in drug court which amounts to \$2,700 per day in jail costs.

Mr. Derrick commented that if one is prosecuted and sentenced, the person goes to the state.

Mr. Carrigg stated that if a person goes through drug court he would not go to the state prison.

Mr. Owens stated that the county has obligated itself to drug court; the budget process begins July 1; there's a shortfall owed somewhere and he favored paying that, but after that if Council wanted to take a good hard look, he was willing not to move forward with more funds if proper fees could not be implemented to fund the program. Mr. Owens stated this was like money owed and he would not want to take anyone's job in this budget year.

Mr. Davis stated there is a motion and second and called for further discussion. No discussion occurred.

In Favor:	Mr. Owens	Mr. Carrigg
	Mr. Jeffcoat	
Opposed:	Mr. Rucker	Mr. Derrick
	Mr. Davis	Mr. Wilkerson
	Mr. Keisler	Mr. Cullum

At the request of Mr Jeffcoat, Mr. Davis indicated that Judge Westbrook would be requested to meet with Council to discuss the FY 02-03 budget and the FY 03-04 budget on these (Juvenile and Adult Drug Courts) items.

Grants - Mr. Davis asked Mr. Porth if he wanted to discuss any of the grants.

Mr. Porth stated that on the yellow sheets were the funds that were not in the General Fund - Library, Solicitor, Law Enforcement, other miscellaneous grants and other special revenue funds, Solid Waste and the Internal Service Funds such as the motor pool, etc.

Ms. Babbitt called Council's attention to Grant 2436, Multi-Jurisdictional Drug Task Force. She stated there was no problem on the law enforcement side; positions for the Solicitor's office, drug prosecutor and an assistant, the Narcotics Forfeiture Fund can be used as matching funds for the grant for the positions in the Solicitor's office. She stated that staff has not recommended the positions; the Solicitor, asked that the funds be appropriated from the General Fund. Ms. Babbitt stated that according to the Sheriff's Department, because of the task force, the case loads have greatly increased. Any forfeiture, as a result of the arrests, immediately goes as matching funds in to 2436. She indicated the grant was for five years, four years were left on the grant.

Mr. Davis asked if the recent audit of the Solicitor's funds show where the balance of the drug forfeiture funds are.

Ms. Babbitt stated one check has never been deposited (\$52,000).

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Mr. Jeffcoat stated that he thought it would be appropriate to invite the Solicitor to the meeting also.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Dorothy K. Black
Clerk

George H. Smokey Davis
Chairman